

**Christine Joyce**

8/24/09 (7)

**From:** Nancy Tavernier [ntavern@comcast.net]  
**Sent:** Friday, August 14, 2009 10:54 AM  
**To:** Steve Ledoux  
**Cc:** Manager Department; Acton Community Housing Corporation  
**Subject:** ACHC 670 Mass Ave., Acton

Steve,

ACHC met last night and discussed the disposition agreement for 670 Mass Ave and what actions we recommend. See attached memo.

Nancy

At 08:07 AM 8/3/2009, Steve Ledoux wrote:

Nancy

Please review and let me know what you think

Steven L. Ledoux  
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**From:** Daniel Hill [mailto:dhill@danhilllaw.com]  
**Sent:** Friday, July 31, 2009 6:01 PM  
**To:** Steve Ledoux  
**Cc:** Stephen Anderson  
**Subject:** 670 Mass Ave., Acton

Hi Steve,

We have finally received the Lender's execution of the Disposition Agreement in the 670 Mass Ave. matter (see PDF file attached). I am holding the original signature pages from the Lender and the property owners (the Langs). At this time it would be appropriate for the Board of Selectmen to sign the Agreement. DHCD will also need to sign, and I will follow up with them on that.

8/14/2009

As a refresher, under the terms of this Agreement, the Selectmen will have the option of either purchasing the property, or assigning its right to purchase this property to a income-qualified family to preserve the unit as affordable housing. If the Selectmen don't exercise either option, the property can be sold free of the restrictions, and any excess profit (above the restricted re-sale price) would flow to the Town. In this economy and given the condition of the house, I would not expect much, if any, excess profits. If the selectmen decide to purchase this property (at its restricted re-sale price), such an action would have to be authorized by Town Meeting. The selectmen will have about a month after signing this agreement to decide whether to exercise either option. Naturally, the best scenario would be if the ACHC could find a qualified family to step in and purchase this property.

If the selectmen are prepared to sign the agreement, please have them sign the Word version (attached), not the PDF version. Please note that the signature page needs to be notarized as well.

Please let me know if you have any questions.

Thanks, Dan

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Daniel C. Hill, Esq.

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
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## **Acton Community Housing Corporation**

**Nancy Tavernier, Chairman**

### **TOWN OF ACTON**

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TO: Steve Ledoux  
FROM: Nancy Tavernier  
SUBJECT: 670 Mass. Ave. LIP unit  
DATE: August 14, 2009

On August 13, the ACHC met and discussed the proposed disposition agreement for the Town, DHCD, Lasalle, and the Langs for the single family home at 670 Mass. Ave. This home was vacated by the affordable owners in November 2006 and it has been empty through 3 winters with and without utilities. Without going into detail, the owners were threatened with foreclosure because they had fallen behind on their mortgage payments and chose to move out. Fortunately, because the bank had given them a mortgage in violation of the deed rider, without permission from the Town or DHCD, Town Counsel was able to halt the foreclosure proceedings in March 2007 and it has languished ever since. This past April the current disposition agreement was signed by the owners and Lasalle bank and then apparently lost in the mail only to reappear in July. This is the agreement we now have to contend with and make recommendations to the Town for action.

There are three options for the Town and ACHC to consider

#### **1. Take title by paying \$181,875**

ACHC would have to make the purchase using a combination of CPA and housing gift funds, with the approval of the Board of Selectmen, otherwise it would require a town meeting vote for the use of town funds should the Town decide to buy it.

If purchased, ACHC or the Town would then assume responsibility for preparing the house for resale, insuring it, marketing it, doing legal work, etc.

**ACHC has voted to not recommend taking title** to the house by either ACHC or the Town. While taking title would be the easiest way to make the necessary repairs and upgrades, we would have to adhere to procurement and prevailing wage issues driving up the cost considerably assuming some major repairs are needed. In the current housing market, there is no guarantee that a buyer would be found quickly and the ACHC or Town might be left holding the bag for a long time having to maintain the property through yet another winter.

## **2. The Town/ACHC can find an income eligible buyer without taking title**

ACHC can hire resale agent to market the property as a first come first served sale. The buyers must be income and asset eligible. Deed restriction will continue.

The house has to be prepared for sale. We need to know the full extent of repairs and upgrades needed especially septic system.

ACHC would like to pursue this option but **FIRST** must make a determination of what repairs are needed. **ACHC has voted to spend up to \$2000 for a full home inspection and Title 5 inspection.** On June 4, 2007, the Board of Selectmen granted permission for ACHC to fund these inspections in order to help determine the final selling price. We would expect this approval to stand and are prepared to move on the inspections as soon as access can be gained.

## **3. Allow property to be auctioned off to any buyer, Town gets excess profit**

**ACHC does not wish to pursue this option** at this time, until Option #2 is fully vetted. Should the septic system need to be replaced or other costly repairs made or no buyer be found, then this may become the most practical option.

Therefore, **ACHC recommends the Board of Selectmen does not sign the disposition agreement at this time** until the full inspections can be made of the property by licensed inspectors. ACHC is willing to contract with and fund the inspections.

However, **there is one major problem**, we need to have the utilities turned on for the inspections and we need to have access to the property. In particular, we need to have the water turned on for not only the Title 5 inspection but also to determine whether or not frozen pipes have damaged the house.

We stand ready to move quickly once these two issues are resolved.